JENNIFER D. REYES - #9004
DALE M. DORIUS - #0903
DORIUS & REYES
Attorneys for Cedar Springs Ranch, Inc.
P.O. Box 895
29 South Main
Brigham City, UT 84302
(435) 723-5219 Phone
(435) 723-5210 Fax

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SECRETARY, BOARD OF OIL, GAS & MINING

BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

In the Matter of the Notice of Agency Action to affect the mining operations of **NEPHI SANDSTONE CORPORATION** by (1) withdrawing a Notice of Intention, (2) forfeiting a surety bond by **TRAVELERS CASUALTY AND INSURANCE COMPANY OF AMERICA**, (3) ordering reclamation of mines, and (4) requesting the Division of Oil, Gas and Mining and the Attorney General to take all other actions necessary to recover costs and fees for the operations occurring at Cedar Springs (M/023/0059) located at South ¼ of Section 15, Township 16 South, Range 1 West, Salt Lake Meridian in Juab County in Utah.

ANSWER OF CEDAR SPRINGS RANCH, INC., SURFACE OWNER

Docket No. 2014-043

Cause No. M/023/0059

COMES NOW Cedar Springs Ranch Inc., surface owner, submits the following Answer to the Division of Oil, Gas and Mining (**Division**) Agency Action.

1. Cedar Springs Ranch entered into a Gypsum Sales Contract and Agreement on May 7, 1998 with Nephi Sandstone, DE Industries and with Bruce Evans and Craig Dansie hereinafter referred to as Buyers.

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2. That said Buyers are in breach of said Contract and Agreement with Cedar Springs Ranch, Inc.

3. Buyers have <u>not</u> complied with the Agreement between surface owners, Cedar Springs Ranch, Inc, and Buyers due to Buyers failure to implement reclamation requirements imposed by the State of Utah, Division of Oil and Mining.

4. Buyers are in breach by not maintaining the property grounds and vegetation consistent with acceptable practices.

5. Buyers are in breach by failure to maintain liability insurance.

6. Buyers surety bond has been cancelled.

7. Buyers have failed to perform reclamation on the property.

WHEREFORE, Cedar Springs Ranch prays as follows:

1. Division withdraw approval to commence Large Mining Operations;

2. Division forfeit the surety bond to pay for the costs to reclaim the Cedar Springs site;

3. Authorize the Division to reclaim the lands affected at the Cedar Springs mine; and

4. Grant any other just and equitable relief deemed appropriate.

Respectfully submitted this 10 day of November, 2014.

DORIUS & REYES

DALE M. DORTUS

Attorneys for Cedar Springs Ranch, Inc.

CERTIFICATE OF MAILING

Michael S. Johnson Assistant Attorney General Utah Board of Oil, Gas and Mining 1594 West North Temple, Suite 300 Salt Lake City, UT 84116

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